

Vendors

X marks the spot for Stanley

By L. Samuel Pfeifle - 07.2008

NEW BRITAIN, Conn.--The Stanley Works announced in May an agreement to buy Xmark, a subsidiary of VeriChip, which manufactures RFID-based systems used to identify, locate and protect people and assets. Its brands include Hugs and Halos, which track infants; RoamAlert, a wander protection system; and Assetrac, a hospital asset tracking system.

Stanley will purchase all outstanding shares of Xmark for a total of \$45 million.

Greg Waybright, interim vice president of investor relations, said Xmark will become a piece of Stanley's Personal Security business, combining with the slightly larger existing Senior Technologies. It will operate separately from the security integration and monitoring business run by Stanley Convergent Security Solutions COO Tony Byerly and president Brett Bontrager, which just purchased Sonitrol Corp. Rather, it will be part of the Mechanical Access Solutions Group, which is overseen by president Justin Boswell. Last fall, Stanley made a similar acquisition in the health care space, buying Bed-Check, a small firm that sells monitoring systems to hospitals and nursing homes.

"This fits right into that business," he said, "and expands it, because it brings with it the infant tracking and the asset tracking. It adds some scale and some breadth of product offering."

He said Stanley likes the health care market in general, as it's "rapidly growing." Further, Xmark brings the RFID expertise, which "we don't have in the existing personal security piece," he said.

"We think it expands our market opportunity and the team is bullish on it."